

CONFIDENTIAL

CLASSIFICATION CONFIDENTIAL

CENTRAL INTELLIGENCE AGENCY
INFORMATION FROM
FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT

50X1-HUM

CD NO.

COUNTRY Albania

SUBJECT Economic - Petroleum

HOW
PUBLISHED Daily newspaper

WHERE
PUBLISHED Tirana

DATE
PUBLISHED 11 Apr 1950

LANGUAGE Albanian

DATE OF
INFORMATION 1950

DATE DIST. 20 Jul 1950

NO. OF PAGES 2

SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE
OF THE UNITED STATES WITHIN THE MEANINGS OF ESPIONAGE ACT 50
U. S. C., 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION
OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PRO-
HIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

SOURCE Bashkimi.

HOXHA BLAMES SABOTAGE
FOR FAILURE OF PETROLEUM PLAN

In his speech before the Second Congress of the Albanian Workers' Party, held in Tirana 10 April 1950, President Hoxha admitted that the 1949 economic plan was not fulfilled, but he praised the USSR for its economic aid, such as extending credit to Albania without interest and sending imports at very low prices. He blamed the failure of the plan chiefly on sabotage of industrial installations by the enemies of the current regime.

Hoxha particularly scored failure in industry and mining, the most important sector of the economy. In this sector he singled out the petroleum industry, especially the petroleum fields of Patos, for special criticism. He reported that the plan for crude petroleum in the Kucove area was fulfilled 91.2 percent in 1949, as compared with only 61.7 percent in Patos. He blamed the Patos fields for lowering fulfillment of the over-all national crude petroleum plan to 74.7 percent. The plan for petroleum alone was fulfilled 83.7 percent, while the plan for liquid bitumen was met only 35.6 percent.

The President reported that the plan for bitumen production at Selenice was fulfilled 117.4 percent, or 122 percent of the 1948 figure and 174 percent of the 1938 figure. The plan for coal and sheet iron was fulfilled despite great difficulties, including lack of transport facilities and high-grade tools.

Petroleum is the only branch of industry, according to Hoxha, in which production has not been rising consistently. This, he said, indicates insufficient mobilization and much enemy sabotage in the petroleum industry, especially at Patos, which was assigned the most important part of the plan. Besides sabotage by the Yugoslavs, which he claimed is still being felt, Hoxha pointed to sabotage by the opposition group of Abedin Shehu, by Shyqri Këllëzi who was formerly director of the Petroleum Combine, by Nasi Mariani who was formerly director of Patos, and by other enemy technicians and administrators who worked there and enjoyed the confidence and protection of those directors.

- 1 -

CONFIDENTIAL

CLASSIFICATION CONFIDENTIAL

STATE	<input checked="" type="checkbox"/> NAVY	<input checked="" type="checkbox"/> NSRD		DISTRIBUTION								
ARMY	<input checked="" type="checkbox"/> AIR	<input checked="" type="checkbox"/> FBI		<i>77 APR 1950</i>								

~~CONFIDENTIAL~~

CONFIDENTIAL

50X1-HUM

Hoxha reported that the petroleum production plan as a whole and for Patos in particular was based on past production. Accurate estimates were not possible, he said, as a complete geological study of the real petroleum reserves, especially at Patos, had not and still has not been made. However, unrealistic planning cannot explain such a serious drop in production, he said.

Saboteurs like Shyqri Këllëzi and Abedin Shehu, he charged, tried to blame the fall in production on the shortage of materials and technicians. It is true, Hoxha continued, that there are not many qualified petroleum technicians in Albania, but the industry had valuable assistance from Soviet engineers. Materials cannot be said to have been abundant, complete, and modern, but there were materials in Albania, many of them from the USSR. Hoxha stated that when Shyqri Këllëzi was called before the Central Committee 6 months ago, he admitted that the failure of the plan was not the result of lack of materials, but was 95 percent due to subjective deficiencies, and he promised the Central Committee that the plan would be realized. According to Hoxha, Abedin Shehu, Shyqri Këllëzi, and their associates deliberately sabotaged the plan, introducing anti-Socialist methods of labor, and emasculating the directives issued for better labor organization. They lowered the plan three times, and if the government had not taken the measures it did, would have lowered the plan still more.

At Patos and Kucovë, according to Hoxha, available materials are not properly utilized. Drilling tubes and other materials are ordered even if they are already on hand. Maintenance of the wells and tractors has not been regular, and proper studies of the oil fields have not been made.

Hoxha pointed out that the plan for the first quarter of 1950 would be exceeded in all sectors of the economy except the petroleum industry. Although petroleum production has been increasing steadily because of technical and material assistance which is still coming from the USSR, last year's deficit cannot be made up. There is hope, he said, of making up the deficit of liquid bitumen, for the production of which sheet metal has now been obtained. A new Soviet method for extracting fuel oil from bitumen also is available to the Albanian petroleum industry.

The President stated that substantial improvement already is in progress, and quoted the following figures for production during the first quarter of 1950; petroleum 85 percent, purified bitumen 103.5 percent, and coal 107.3 percent.

Although the petroleum production plan for 1950 will be realized, according to Hoxha, the Two-Year Plan cannot be met in full because of the serious failure of the 1949 plan.

- E N D -

- 2 -

~~CONFIDENTIAL~~

CONFIDENTIAL